

Priority: Accountability
Program Offer Type: Existing Operating
Related Programs:

Lead Agency: County Management
Program Contact: Mindy Harris

Program Characteristics:

Executive Summary

The Property Risk Program (PRP) manages the County property and insurance programs in accordance with all legal requirements and County policies and procedures. It focuses on property, insurance, loss control/prevention, and risk management related issues. All input and information received by internal and external customers is thoroughly and clearly analyzed, providing for the opportunity to make informed decisions with respect to the County's Property Risk Program. The customers actively participate in the decision-making process and are kept informed of the progress made and ultimate outcome of the issue.

Program Description

The Property Risk Program (PRP) negotiates and purchases property insurance for 80 County-owned buildings and their contents, County contents in leased facilities, catastrophic fleet coverage, marine coverage, and other specialized insurance coverage for the County. The PRP consults and advises on property related risk exposures, researches & makes recommendations regarding the purchase of specialized insurance coverage, and develops policies and procedures. The PRP then implements risk management strategies for the prevention or reduction of property losses Countywide. This program adjusts property loss claims up to the County's self-insured retention of \$100,000 and for losses over that amount, utilizes a contracted insurance broker/risk consultant.

Program Justification

The Property Risk Program's mission is to protect the County's assets. This is done by the purchase and retention of the appropriate types and levels of insurance, recommending and implementing sound loss control/prevention measures, appropriate and timely adjusting of property loss claims, and providing effective risk financing techniques. Current County insured assets are valued at approximately \$565 million. By protecting the County's assets and achieving the program's priorities, the program is being accountable to the employees and citizens of Multnomah County, minimizing loss to departments - reducing their costs so they can provide more resources for direct services to customers.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY05-06)	Current Year Purchased (FY06-07)	Current Year Estimate (FY06-07)	Next Year Offer (FY07-08)
Output	Annual number of property insurance coverages purchased & renewed.	6	6	6	7
Outcome	Annual premium rate for property insurance coverages-cents per\$100 in prop.value	10	9	9	8
Quality	Annual visits w/Property insurance carriers to successfully market County's risk	0	0	3	4
Quality	This measure no longer used.(coverages renewed; none canceled)	100.0%	100.0%	100.0%	0.0%

Performance Measure - Description

The Property Risk Program's performance measures provide confirmation that the County is safeguarding its assets, and remaining in compliance with County Code 7.100-7.104, the State of Oregon's, and financing agreements' mandatory insurance requirements. The appropriate level of insurance renewals indicates strong marketing of the County's property portfolio. Factors affecting property renewal, premiums/rates are insurance market conditions, County property values and condition of property, types/limits of insurance purchased, and property loss claims. The average premium rate per \$100 in property value for Oregon self-insured public entities this year is 7.38 cents. Our rate is higher than average because we have made a conscious decision to purchase excellent limits on our "all risk" coverages. We have also lowered our deductible to \$100,000 from \$250,000.

Legal/Contractual Obligation

The Property Risk Program is mandated by County Code 7.100-7.104. The County is required by its financing agreements to have specific property insurance in place. The level of expenditures is based on market value of insurance to cover the County's property risk.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2007	2007	2008	2008
Personnel	\$0	\$57,993	\$0	\$52,421
Contracts	\$0	\$75,000	\$0	\$91,000
Materials & Supplies	\$0	\$765,145	\$0	\$910,128
Internal Services	\$0	\$4,527	\$0	\$7,033
Subtotal: Direct Exps:	\$0	\$902,665	\$0	\$1,060,582
Administration	\$4,399	\$146	\$3,853	\$717
Program Support	\$661	\$0	\$612	\$0
Subtotal: Other Exps:	\$5,060	\$146	\$4,465	\$717
Total GF/non-GF:	\$5,060	\$902,811	\$4,465	\$1,061,299
Program Total:	\$907,871		\$1,065,764	
Program FTE	0.00	0.55	0.00	0.50
Program Revenues				
Fees, Permits & Charges	\$0	\$902,665	\$0	\$1,060,582
Program Revenue for Admin	\$156	\$0	\$717	\$0
Total Revenue:	\$156	\$902,665	\$717	\$1,060,582

Explanation of Revenues

Revenues for this program are recovered through service reimbursements from departments.

Significant Program Changes

Last year this program was:

Last year this program was #72012, Property Risk Program